

INTRODUCED _____
PUBLIC HEARING _____
COUNCIL ACTION _____
EXEC. ACTION _____
EFFECTIVE DATE _____

County Council of Howard County, Maryland

2008 Legislative Session

Legislative Day No. 5

Bill No. 31-2008

Introduced by: The Chairperson at the request of the County Executive

AN ACT to authorize and empower Howard County, Maryland, to borrow up to \$144,569,618 on its full faith and credit, and issue and sell its bonds therefor, to be used to pay costs of certain County water and sewer capital projects, as described in the County's 2009 Capital Budget (including, without limitation, borrowings for certain water and sewer projects previously authorized in 2004), and to pay costs of issuance of such bonds; authorizing and empowering the County to issue bond anticipation notes or to enter into installment purchase agreements to pay portions of such costs; and to levy taxes upon the assessable property within the County sufficient, together with benefit assessments, ad valorem taxes levied upon the assessable property in the Metropolitan District and other available funds, to pay the debt service on such obligations; and providing for and determining various matters in connection therewith.

Introduced and read first time _____, 2008. Ordered posted and hearing scheduled.

By order _____
Sheila M. Tolliver, Administrator

Having been posted and notice of time & place of hearing & title of Bill having been published according to Charter, the Bill was read for a second time at a public hearing on _____, 2008.

By order _____
Sheila M. Tolliver, Administrator

This Bill was read the third time on _____, 2008 and Passed ___, Passed with amendments ___, Failed _____.

By order _____
Sheila M. Tolliver, Administrator

Sealed with the County Seal and presented to the County Executive for approval this ___ day of _____, 2008 at ___ a.m./p.m.

By order _____
Sheila M. Tolliver, Administrator

Approved by the County Executive _____, 2008.

Ken Ulman, County Executive

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN ALL CAPITALS indicates additions to existing law; ~~Strike-out~~ indicates material deleted by amendment; Underlining indicates material added by amendment.

1 **Recitals**

2 In accordance with the provisions of Section 603 of the Charter of Howard County, the
3 County Executive has submitted a proposed Capital Budget for fiscal year 2009 to the County Council, and,
4 prior to the passage of this Act, the County Council has adopted a Capital Budget for the fiscal year ending
5 June 30, 2009.

6 As a part of the Capital Budget for the fiscal year ending June 30, 2009, it is necessary that Howard
7 County, Maryland, borrow a sum not exceeding \$144,569,618, the proceeds thereof to be used for certain
8 water and sewer capital projects specified in the County's Capital Budget for the fiscal year ending June 30,
9 2009, which are more particularly described in Appendix A to this bond enabling law and for payment of
10 costs of issuance of any obligations issued to evidence such borrowing. Of such amount, the borrowing of
11 \$6,709,618 for certain of such capital projects (as indicated in Appendix A hereto in the column captioned
12 "Amount to be Borrowed (Reauthorizations)") ("Reauthorizations") was previously authorized by the
13 County in calendar year 2004, but such authorizations are expected to expire prior to the completion of such
14 projects and/or sale of bonds to provide permanent financing therefor. Accordingly, it is necessary that such
15 borrowing be reauthorized.

16 **Now, therefore, in accordance with the provisions of Article VI of the Charter of Howard**
17 **County;**

18 **Section 1. Be it enacted by the County Council of Howard County, Maryland,** That Howard
19 County, Maryland (the "County"), is hereby authorized and empowered to borrow on its full faith and
20 credit, and issue and sell its bonds therefor, at one time or from time to time, an amount not exceeding
21 \$144,569,618, the proceeds thereof to be used for the water and sewer capital projects (each, a "Project")
22 more particularly specified and described Appendix A hereto and in the County's Capital Budget for the
23 fiscal year ending June 30, 2009; including for each capital project, without limitation, the cost of planning,
24 design, construction, reconstruction, furnishing, equipping, improvements, rehabilitation, remodeling,

1 enlargements, engineering services, architects services, surveys, landscaping, site development, evaluation
2 studies, land acquisition and related items, appurtenances and incidental activities. The Projects, and the
3 amount to be borrowed for each (including, without limitation, any Reauthorizations), are more specifically
4 identified and described in Appendix A hereto.

5 Proceeds of any bonds authorized by this Act may also be used to pay costs of issuance of such
6 bonds.

7 **Section 2. And be it further enacted by the County Council of Howard County, Maryland,**

8 That, pursuant to and in accordance with Article 31, Section 12 of the Annotated Code of Maryland, as
9 amended, the County is also authorized to issue bond anticipation notes in anticipation of the issuance of the
10 bonds authorized by this Act and described in Section 1 hereof, and all references to "bonds" or
11 "obligations" in this Act shall include such bond anticipation notes, unless the context clearly requires a
12 contrary meaning. It is intended that the aggregate principal amount of issued and outstanding bond
13 anticipation notes when added to the aggregate principal amount of issued and outstanding bonds in
14 anticipation of which such notes were issued, shall not exceed the aggregate principal amount set forth in
15 Section 1 of this Act at any time. The County will agree in each ordinance described in Section 4 of this
16 Act relating to any notes issued pursuant to this Act to pay such notes and the interest and premium, if any,
17 thereon from the proceeds of the bonds in anticipation of the sale of which such notes are issued, and the
18 County will agree to issue such bonds when, and as soon as, the reason for deferring their issuance no
19 longer exists.

20 **Section 3. And be it further enacted by the County Council of Howard County, Maryland,**

21 That, in connection with the acquisition of real property as part of a Project, the County may incur all or any
22 portion of the indebtedness authorized by this Act for such acquisition by entering into an installment
23 purchase agreement pursuant to and in accordance with Section 4.201A of the Howard County Code
24 ("Section 4.201A") or any successor provisions of law in lieu of issuing bonds for such acquisition. The

1 principal amount of any such installment purchase agreement shall not exceed the lesser of (a) the maximum
2 principal amount permitted by Section 4.201A or (b) the portion of the amount to be borrowed for such
3 Project (as set forth in Section 1 hereof) which relates to such acquisition. All references to "bonds" or
4 "obligations" in this Act shall include such installment purchase agreements, unless the context clearly
5 requires a contrary meaning.

6 **Section 4. And be it further enacted by the County Council of Howard County, Maryland,**

7 That the County Council of Howard County, by an ordinance or ordinances adopted from time to time in
8 accordance with Article VI of the Charter of Howard County and other applicable provisions of law, shall
9 provide for (a) the issuance and sale of, (b) the maximum principal amount, designation, form, tenor and
10 denomination or denominations of, (c) the dates of the first maturity (not more than two years after the date
11 of issue) and the last maturity (not more than 30 years after the date of issue) of, and (d) the interest rate or
12 rates per annum (or the method of determining such rate or rates) payable on, any bonds or other obligations
13 issued from time to time under this Act; and may by any such ordinance, or by separate resolution, provide
14 that the issuance of bonds or other obligations hereby authorized be consolidated with one or more other
15 issues.

16 **Section 5. And be it further enacted by the County Council of Howard County, Maryland,**

17 That for the purpose of paying the principal of and interest on such bonds or other obligations as the same
18 shall become payable, the County Council of Howard County shall levy annually ad valorem taxes upon the
19 assessable property in Howard County sufficient, together with benefit assessments, ad valorem taxes levied
20 upon assessable property in the Metropolitan District and other available funds, to pay the principal of and
21 interest on such bonds or other obligations until all of such bonds or other obligations shall mature and be
22 redeemed.

23 **Section 6. And be it further enacted by the County Council of Howard County, Maryland,**

24 That any bonds or other obligations issued from time to time under this Act are specifically exempt from the

1 provisions of Article 31, Sections 9, 10 and 11 of the Annotated Code of Maryland, as amended, and any
2 successor provision of law.

3 **Section 7. And be it further enacted by the County Council of Howard County, Maryland,**

4 That all bonds or other obligations authorized hereby shall be issued within four years from the date this Act
5 becomes effective. Notwithstanding the foregoing, if bond anticipation notes are issued within such period
6 in accordance with Section 2 hereof, the bonds authorized hereby may be issued until the final maturity of
7 such notes.

8 **Section 8. And be it further enacted by the County Council of Howard County, Maryland,**

9 That the County anticipates that a portion of the costs of some or all of the Projects may be paid prior to the
10 issuance of the bonds or other obligations authorized hereby. The amount of such costs so paid will depend
11 on various factors, including, without limitation, the timing and speed of progress on the Projects, the
12 availability of other funds to pay such costs on an interim basis, bond and money market conditions and
13 compliance with federal and State laws and regulations.

14 Accordingly, the County reasonably expects to reimburse costs of the Projects (as described
15 herein) with proceeds of the bonds or other obligations authorized hereby, such bonds or other obligations to
16 be issued by the County in the maximum principal amount of \$144,569,618.

17 **Section 9. And be it further enacted by the County Council of Howard County, Maryland,**

18 That this Act shall take effect sixty-one (61) days after its enactment.

Sewer Projects

Project Description	Amount to be Borrowed (New Authorizations)	Amount to be Borrowed (Reauthorizations)
S6175 FY2001 LITTLE PATUXENT PARALLEL SEWER A project for the study, design and construction of the Little Patuxent Parallel Sewer.	\$36,000,000	
S6237 FY2001 PATAPSCO CONVEY/TREAT FACILITIES A project for Howard County's participation in the cost sharing for the capital funding of the Patapsco Treatment Plant at Wagners Point and the related Patapsco Interceptor, Pump Station, and Force Main.	20,000,000	
S6245 FY2003 NITROGEN LOADING REDUCTION A project to reduce nitrogen loading from the Little Patuxent Sewer Basin.	75,120,000	
S6251 FY2005 HOLIDAY HILLS/RIVERSIDE EST WATER-SEWER A project for the design and construction of 7,200 LF of 8-inch sewer main and 4,200 LF of 8-inch water main to serve the existing homes on Hunting Lane, Judy Lane, Moosberger Court and Cleos Court.		\$404,347
S6698 ROUTINE SEWER EXTENSION PROGRAM A project to design and construct routine sewer main extensions in the Metropolitan District requested by landowners.		300,000
	_____	_____
Sewer Projects – New Authorizations/ Reauthorizations	<u>\$131,120,000</u>	<u>\$ 704,347</u>
Sewer Projects – Total		<u>\$131,824,347</u>

Water Projects

Project Description	Amount to be Borrowed (New Authorizations)	Amount to be Borrowed (Reauthorizations)
W8219 FY1998 PARTICIPATION 3RD ZONE WATER SUPPLY A project for the construction of major water distribution mains to convey water from Baltimore City to Howard County.		\$1,000,000
W8220 FY1998 SHARED WATER FACILITY IMPROVEMENTS A project for the planning, design and construction of major water facilities, mains, pumping stations, reservoirs and treatment plants in Baltimore City Central Water System.		326,526
W8263 FY2004 MARRIOTTSVILLE RD ELEVATED TANK A project for the design and construction of a 1 1/4 million gallon elevated water storage tank and pumping station to serve the elevation 630 and 730 water service zones.	\$ 700,000	970,000
W8269 FY2005 PARTICIPATION 3RD ZONE WATER SUPPLY A project for the construction of major water transmission and distribution mains to convey water from Baltimore City to Howard County.	1,000,000	3,408,745
W8280 FY2007 FULTON ELEVATED TANK and PUMPING STATION A project for the design and construction of a 500,000 gallon elevated water tank, a 500,000 gallon per day water pumping station and upgrades to an existing 500,000 gallon per day pumping station to serve the Fulton Elevation 630 water Zone.	1,375,000	
W8285 FY2009 MISSION ROAD WATER MAIN EXTENSION A project to provide public water service to 5 properties on Mission Road east of Concord Drive.	715,000	
W8286 FY2008 DUCKETTS LANE WATER MAIN REHABILITATION A project to assess the condition of 12,500 linear feet of water main in the Ducketts Lane area between US Route 1 and I-95 and to rehabilitate or replace defective portions of main.	950,000	

Project Description	Amount to be Borrowed (New Authorizations)	Amount to be Borrowed (Reauthorizations)
W8698 ROUTINE WATER EXTENSION PROGRAM A project to design and construct routine water main extensions in the Metropolitan District requested by landowners.		\$ 300,000
W8899 FY2009 DEVELOPER REBATES WATER & SEWER Land developers in Howard County desiring to provide public water and/or sewer services to a proposed development, request the County to permit them to extend the existing systems to serve their proposed developments through pre-financing of these extensions under terms of a developer's agreement.	\$2,000,000	
Water Projects – New Authorizations/ Reauthorizations	<u>\$6,740,000</u>	<u>\$6,005,271</u>
Water Projects - Total		<u>\$12,745,271</u>
TOTAL NEW AUTHORIZATIONS/REAUTHORIZATIONS	<u>\$ 137,860,000</u>	<u>\$6,709,618</u>
TOTAL AMOUNT TO BE BORROWED:		<u>\$144,569,618</u>